



# Montgomery County Council

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**For Immediate Release**

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## **COUNCIL REDUCES PROPERTY TAXES TO CHARTER LIMIT**

**Council Triples Across the Board Tax Relief over Duncan Budget;  
Average Homeowner to Receive \$300 Tax Reduction**

The Montgomery County Council today approved a property tax fairness package that will give property tax relief of at least \$300 to the average County homeowner. The package reduces property taxes by \$86 million to the Charter limit and holds the County's energy tax rate at the existing rate.

The Council unanimously approved three separate property tax fairness measures affecting over a quarter million owner-occupied households.

The Council lowered the property tax rate by four cents per \$100 assessed valuation, which will save the owner of a home assessed at \$400,000 \$180 in property taxes. Every County homeowner will also receive a credit of \$116 against their property tax bill. Also, under an expanded "circuit-breaker" tax credit initiated by Councilmember Steve Silverman, homeowners with incomes of less than \$58,000 can receive additional targeted tax relief based on the first \$300,000 of their home's assessed value – tax relief that would average \$900 per household for those eligible.

All told, the average County homeowner with a home assessed at \$400,000 will see at least a \$296 reduction in his or her property taxes – more if they qualify for the circuit-breaker credit.

The Council doubled the County Executive's proposed two-cent rate reduction, and tripled his across-the-board tax relief.

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Under the Charter limit, property tax revenue the County can take in on existing real property will be limited to last year's revenue plus 2.8 percent inflation, plus the value of new construction.

"County residents have spoken loud and clear and the Council has listened," said Council President Tom Perez.

"Folks wanted property tax fairness. We've doubled the tax rate reduction. We tripled across-the-board relief. We've given three different kinds of tax relief and targeted some of the relief to those most in need – and we've come in at the Charter limit. We have held the line on the County energy tax rate. The Council's budget will be below that proposed by the County Executive for the second time since we set up our Executive/Council form of government."

The Council will announce the full budget tomorrow, including programs funded and budget reductions.

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